



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

RICK SNYDER  
GOVERNOR

DAVID B. BEHEN  
DIRECTOR

## FOR IMMEDIATE RELEASE

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Contact: Kurt Weiss, 517-335-0050

### Michigan's August Unemployment Rate Declines

*Lansing* – Michigan's seasonally adjusted unemployment rate in August declined over the month by three-tenths of a percentage point to 7.4 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The state's labor force fell by 11,000 over the month as total employment edged upward by 4,000 while the number of unemployed dropped by 16,000.

The Michigan jobless rate in August 2014 was one and six-tenths percentage points below the state's August 2013 rate of 9.0 percent. The national jobless rate decreased by one and one-tenth percentage points over this period. The state's unemployment rate in August was one and three-tenths percentage points above the national rate of 6.1 percent. The U.S. jobless rate edged downward by one-tenth of a percentage point from July to August.

"The Michigan jobless rate declined over the month primarily due to fewer unemployed individuals seeking jobs in August. Flooding in the Detroit metropolitan area may have curtailed job search activity for many in this region," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "Overall however, Michigan's labor market situation in 2014 has improved with job growth and reduced unemployment."

#### **Monthly Labor Force Trends & Highlights**

- Michigan's August jobless rate matched the April rate as the lowest for the state so far in 2014.
- For five of the first eight months of 2014, Michigan's unemployment rate remained within the narrow band of 7.4 to 7.5 percent.
- Through August, the state's year-to-date 2014 average unemployment rate stands at 7.6 percent, well below Michigan's 2013 annual rate of 8.8 percent.
- After remaining relatively flat for the prior three months, the state's labor force level fell in August to the lowest level since March. However, Michigan's workforce level has registered a modest gain of 18,000 or 0.4 percent since August 2013.
- Total employment registered a minor increase in August after two consecutive months of small declines. Total employment levels in the state have been relatively flat over the summer months; nevertheless employment totals in summer 2014 have been well above levels recorded in 2013.

(more)

**MICHIGAN**  
**Labor Force Estimates**  
 Seasonally Adjusted  
 (Data in Thousands)

	August 2013	July 2014	August 2014	Change	
				Month	Year
Civilian Labor Force	4,713	4,742	4,731	-11	18
Employment	4,291	4,378	4,382	4	91
Unemployment	422	364	348	-16	-74
Rate (Percent)	9.0	7.7	7.4	xxx	xxx

***Detroit Metropolitan Area's August Jobless Rate Decreases***

The Detroit-Warren-Livonia Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in August decreased by three-tenths of a percentage point to 8.4 percent. In August, the area's labor force fell by 11,000 as both total employment (-4,000) and the number of unemployed (-7,000) recorded reductions. The metro area's August jobless rate matched the region's June rate, and was similar to the eight-month 2014 year-to-date average rate of 8.3 percent. Although the number of unemployed in the region in 2014 has remained relatively flat, total employment, along with the workforce has been trending downward.

From August 2013 to August 2014, the Detroit metropolitan area's jobless rate declined by a full percentage point. Over that period, the region's labor force recorded a reduction of 33,000 or 1.6 percent. Since August 2013, the number of unemployed fell by 24,000 or 12.5 percent, however total employment also decreased, registering a relatively minor loss of 8,000 or 0.4 percent.

**Detroit-Warren-Livonia MSA**  
**Labor Force Estimates**  
 Seasonally Adjusted  
 (Data in Thousands)

	August 2013	July 2014	August 2014	Change	
				Month	Year
Civilian Labor Force	2,037	2,015	2,004	-11	-33
Employment	1,844	1,840	1,836	-4	-8
Unemployment	192	175	168	-7	-24
Rate (Percent)	9.4	8.7	8.4	xxx	xxx

(more)

### ***Small Reductions in Several Sectors Push August Payroll Jobs Downward***

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs declined in August by 10,000 to total 4,143,000. Minor job reductions over the month were recorded in trade, transportation and utilities (-3,000), professional and business services (-3,000), education and health services (-2,000), and leisure and hospitality services (-2,000). Manufacturing (+2,000) displayed the only notable August job increase within the state's major sectors. The state's remaining major sectors were little changed over the month.

### ***Industry Employment Trends and Highlights***

- The August decline in payroll jobs reduced the state's job total essentially back to the June level. Michigan's June through August job counts remain well above totals recorded in the first five months of 2014.
- Construction jobs in Michigan have remained stable since February. Over the year, construction jobs rose by over 3,000 or 2.6 percent statewide.
- With the minor over-the-month gain, manufacturing jobs in Michigan rose for the fourth consecutive month. Manufacturing jobs have increased nearly every month over the past twelve months, with the exception of job cuts due to short-term auto-related layoffs in January and April 2014.
- Jobs in education and health services declined slightly over the month, however this sector's August statewide job level was the second highest of the year.
- Leisure and hospitality jobs in Michigan also dipped in August, but this sector has been generally trending upward throughout 2014. Statewide job levels in this category rose by 8,000 from January to August.
- From August 2013 to August 2014, payroll jobs in Michigan increased by 31,000 or 0.7 percent. Since August 2013, manufacturing (+15,000), leisure and hospitality services (+11,000), and trade, transportation and utilities (+10,000) were the state's major sectors with the largest job growth.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing declined over the month, but were little changed over the year.

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**MICHIGAN**  
**Payroll Employment Estimates**  
*Seasonally Adjusted*  
 (Data in Thousands)

	<u>August</u> <u>2013</u>	<u>July*</u> <u>2014</u>	<u>August**</u> <u>2014</u>	CHANGE*** <u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,113	4,153	4,143	-10	31
Natural Resources & Mining	8	9	9	0	1
Construction	133	137	136	0	3
Manufacturing	557	570	572	2	15
Transportation Equipment	169	174	174	0	5
Trade, Transportation & Utilities	746	760	756	-3	10
Retail Trade	457	459	455	-3	-2
Information	55	58	58	-1	2
Financial Activities	203	198	198	0	-5
Professional & Business Services	605	604	601	-3	-5
Education & Health Services	638	640	639	-2	1
Leisure & Hospitality Services	397	410	408	-2	11
Other Services	172	169	168	-1	-4
Government	598	599	599	0	1

\* Final data for July

\*\* Preliminary data for August

\*\*\* Change calculated using unrounded data

**Hours & Earnings for Production Workers**  
*Seasonally Adjusted*

**Manufacturing**

	<u>August</u> <u>2013</u>	<u>July</u> <u>2014</u>	<u>August</u> <u>2014</u>	CHANGE <u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$876.12	\$921.17	\$881.09	-\$40.08	\$4.97
Average Weekly Hours	43.6	44.5	43.5	-1.0	-0.1

**Transportation Equipment**

Average Weekly Earnings	\$1,153.44	\$1,268.77	\$1,128.87	-\$139.90	-\$24.57
Average Weekly Hours	46.4	50.5	46.2	-4.3	-0.2

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